## REMARKS

With respect to the Examiner's comments relating to Applicant's arguments filed on May 21, 2004, Applicant respectfully disagrees with, at least a portions of, the Examiner's comments. The Examiner states that Imada teaches a three position valve assembly wherein the three positions include a second position where the supply port is connected to the head and rod end ports and the exhaust port is blocked. To the extent that the Examiner is combining both the directional valve V and the speedup valve D<sub>1</sub> as the three position valve assembly, Applicant can understand the Examiner's position but still disagree with the position. Imada clearly sets forth that the speedup valve D<sub>1</sub> and the directional valve V are separate valves. In fact Imada specifically mounts the speedup valve D<sub>1</sub> on the cylinder C (see at least Figs. 1, 2, 4). In order to more clearly define the subject invention, Applicant has amended claim 1 to clearly state that the first directional control valve is a single three position valve. Imada teaches the use of mounting a speed up valve D<sub>1</sub> directly to the cylinder being operated. However there is no teaching of combining the exhaust flow from the cylinder with the inlet flow upstream of the directional control valve.

The Examiner further suggests that the specification of Applicant's concept does not support the limitation that "fluid flow from the rod end port must be directed back across the direction control valve in order to be in full communication with the supply input port". The Examiner bases his opinion on the fact that the first and second ports 92,94 is shown as internal to the valve spool and that there would be no way for the fluid from the rod end to make it back to the supply port since fluid is flowing from the supply port to the head end, with fluid from the rod end flowing also to the head end. The Examiner believes that there is a passage within the directional control valve that connects the rod end and the supply passage. The directional valve that contains the first and second ports 92,94 is in fact the second directional control valve 78 as set forth in claim 1. The second directional control valve does not interconnect the rod and heads ends of the second cylinder. Furthermore, the first and second ports 92,94 of the second directional control valve 78 are only in communication with each other and the tank when the second directional control valve 78 is in its center position. The single three position valve 24 of the first directional control valve

as claimed in claim 1 and shown in Fig. 1 clearly illustrates that when the single three position valve 24 is in its second operative position the flow from the rod end port 40 must go through the single three position valve 24 to combine with the supply port 36 thereof.

The Examiner states that the teaching of Imada would lead one skilled in the art to eliminate the third (as labeled by the Examiner) position of Budzich in order to have a three position valve. Applicant respectfully disagrees with the Examiner, Budzich is clearly illustrating and teaching the use of a fourth position in two different control valves in order to selectively have a speedup mode in either control valve when desirable. The teaching in Budzich requires the need of having full force available at the rod end side of the cylinder unless there is a desire to sacrifice power for speed by moving into the fourth position of the valve. Imada is specifically teaching having a separate speedup valve D<sub>1</sub> that is mountable on the cylinder that is far removed from the directional control valve V. The modifications needed in the Budzich design to delete the second, intermediate position requires major changes that goes beyond obvious changes. There is nothing in Imada that would lead one to combine the functions of the two separate valves in Imada.

In the subject Official Action, claim 1 was rejected under 35 USC 103 as being unpatentable over Budzich in view of Imada. The Examiner states that Budzich discloses all of the limitations of Applicant's claim 1 except that Budzich teaches a third operating position located between the center and second positions. The Examiner further states that in view of Imada that it would have been obvious to eliminate the third position of Budzich. With respect to Imada, the Examiner states that in Imada each directional control valve units (V,D<sub>1</sub>) includes the claimed elements and connections. He further states that each directional control valve has a position at which the second port fully communicates with the supply port. Even if the Examiner is considering the directional control valve V and the speedup valve D<sub>1</sub> as one unit or assembly, the second port does not fully communicate with the supply port. The supply port to the directional control valve V of Imada is clearly spaced from the location at which the second port communicates with the supply going through the speedup valve D<sub>1</sub>. In view of the amendment to claim 1, Applicant is specifically claiming that the first directional control valve is a single three position valve. Since Imada is teaching the need of having a speedup valve D<sub>1</sub> mounted directly on the cylinder, there is no basis for

considering major modification to the valve of Budzich. Likewise, Budzich does not teach the need or desire to eliminate the operative position that permits full power being directed to the rod end of the cylinder.

As a matter of clarification, it seems that the control lever 5' controls the directional control valve V and the control lever 5 controls the directional control valve (not shown) that directs fluid to and from the lift cylinder 3. It seems as though the description of Imada is somewhat inconsistent in some areas.

Claims 4-8 were rejected under 35 USC 103 as being unpatentable over Budzich in view of Johnson. However, it is respectfully submitted that the respective limitations of dependent claims 4-8, when taken in combination with amended claim 1, are allowable over the references of record.

In view of the above, it is believed that the cited references do not singularly or in combination teach or make obvious the invention claimed herein.

It is respectfully urged that the subject application is in condition for allowance and allowance of the application at issue is respectfully requested.

It is believed that the Amendment presented on November 23, 2004 along with the enclosed corrections now place the application in condition for allowance.

Respectfully submitted,

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